

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

In re: :  
UNITED STATES OF AMERICA, : Docket #23cr118/  
 : 23m2007  
 :  
Plaintiff, :  
 :  
- against - :  
 :  
WANG, YANPING, : April 4, 2023  
 : New York, New York  
 :  
Defendant. :

----- : BAIL HEARING

PROCEEDINGS BEFORE  
THE HONORABLE ROBERT W. LEHRBURGER,  
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

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Proceedings recorded by electronic sound recording;  
Transcript produced by transcription service.

INDEXE X A M I N A T I O N S

<u>Witness</u>	<u>Direct</u>	<u>Cross</u>	<u>Re- Direct</u>	<u>Re- Cross</u>	<u>Court</u>
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None

E X H I B I T S

<u>Exhibit Number</u>	<u>Description</u>	<u>ID</u>	<u>In</u>	<u>Voir Dire</u>
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None

PROCEEDING

3

THE CLERK: We're here in the matter for a bail hearing, U.S. v. Yanping Wang, 23cr118. Attorneys, please state your name for the record starting with the Government.

MS. JULIANA MURRAY: Good afternoon, Your Honor, Juliana Murray and Ryan Finkel on behalf of the United States. We're joined by Paralegal Specialist Jeffrey Merns (phonetic).

MR. RYAN FINKEL: Good afternoon.

MR. ALEX LIPMAN: Good afternoon, Your Honor, Alex Lipman, Lipman Law PLLC, and with me is my co-counsel Priya Chaudhry, Chaudhry Law PLLC. We're here for the defendant Yanping Wang. And she's here present and she's being assisted by a Mandarin interpreter.

THE COURT: All right, thank you. Good afternoon. Ms. Wang, can you hear and understand everything the interpreter is saying?

MS. YANPING WANG: Yes, I do.

THE COURT: All right, terrific. So when we last saw each other, you were going to see Judge Torres in regard to Mr. Kwok and also seek possibly her say so on this matter. I understand she has left it in my hands. So I guess I will hear from the parties as to where we are and what can be done, should be done in

PROCEEDING

4

respect to the financial suretors that the Government says are not sufficient to meet the obligation under the conditions set by Judge Parker that two financially responsible people be able to sign on to the bond.

And this is really defendant's application in that they raised this concern, and so I'll hear from defense counsel first. But why don't you also let me know if there's been any developments during the last week that make any difference and/or whether anything that happened before Judge Torres influences what happens here.

MS. MURRAY: Just briefly, Your Honor, I just wanted to confirm that this is being recorded, this proceeding, because I don't see a court reporter. So just for the record.

THE COURT: It is being recorded electronically.

MS. MURRAY: Thank you.

MR. LIPMAN: May I begin, Your Honor?

THE COURT: Yes, please.

MR. LIPMAN: Your Honor, in our view, from the beginning, the Government never actually established by preponderance of the evidence that the defendant is a flight risk. And I want to go - we actually agreed to

1 the bond conditions, but we agreed to the bond  
2 conditions based on conversation that we had with the  
3 Government that in which the Government made certain  
4 representations about what was found in Ms. Wang's  
5 apartment. And so we were told that, we didn't have a  
6 lot of time to discuss things with our client, but we  
7 thought, all right, it seems reasonable, and then we  
8 agreed that we were going to propose names of two co-  
9 signers for the bond and, frankly, didn't think that  
10 this was going to be an issue.  
11

12 Then the Government made certain statements on  
13 the record, and as we started having trouble having them  
14 approve the people we proposed, we at some point asked  
15 them for support for some of the things that they said  
16 were the reasons that our client is a flight risk. And  
17 so then they eventually provided it to us, and what we  
18 found is basically one of three things. The Government  
19 either made statements that are half true, and so we  
20 need to actually fill in the blanks and realize that  
21 what they said isn't really right. They have made  
22 statements that are contradicted by the evidence that  
23 they gathered in Ms. Wang's apartment, and then they  
24 made statements for which they're just conjectures.  
25 They're not actually supported by any evidence. So let

PROCEEDING

6

1  
2 me back up and start at the beginning.

3 THE COURT: Okay.

4 MR. LIPMAN: So Ms. Wang and her co-defendant,  
5 Mr. Kwok, knew that the Government was looking at them  
6 for a very long time, so much so that in September, and  
7 according to the indictment, in September and October of  
8 last year the Government seized a bunch of assets,  
9 according to the indictment it's something like on the  
10 order of \$700 million, and the Government seized those  
11 assets. It was a civil seizure, but it referenced, as  
12 specified (indiscernible). Right? So \$700 million  
13 seized, I'm not sure that I can say for the Court that  
14 my client understood the full scale of what was seized,  
15 but she certainly understood that the Justice Department  
16 has seized a bunch of money, right.

17 And then there was an SEC settlement for the  
18 GTV case which is the one that's relevant to her, and  
19 GTV paid back something in the order of I want to say  
20 \$500 million, which incidentally they didn't pay after  
21 the - they first paid the money and then the SEC issued  
22 a settlement order. So it's in the reverse order from  
23 the Government says happened. Okay? So she knew, she  
24 knew that the Government was looking at her and that she  
25 was potentially in severe legal jeopardy.

PROCEEDING

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Despite that, she didn't go anywhere, but there's more. The Government says she had the passport from, a Chinese passport that she could've traveled on, right, and that she, and she's an asylum applicant, and because she's an asylum applicant, they say this is one of the factors to consider in her not having ties to the United States is somehow she count against her.

Well, because she's an asylum applicant and she doesn't want to lose her asylum application, she did want to go travel, and she applied to the United States government for a furlough so that if she traveled, her asylum application would not get denied. So the Government, and that happened, she received permission to travel between December and January of last year, so December '22 to January I want to say 27, I'm probably wrong on the exact date, but something from mid-December to the third week of January --

THE COURT: And when was the seizure of the money that you referred to?

MR. LIPMAN: September and October according to the indictment. I think it's September 18 and October, was it is, 24, 26.

So she put the government on notice that she was going to go travel despite all of this going on.

PROCEEDING

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1 She did not travel during that window. It expired. It  
2 expired for reasons that have nothing to do with  
3 anything other than she had a particular trip that she  
4 had in mind to make, she couldn't get, it didn't work  
5 out logistically. She then applied for another  
6 application, and I believe that was, according to her  
7 immigration counsel, that was on February 8, 2023. So a  
8 month before she was arrested.  
9

10 So the idea that she is a flight risk is, given  
11 all of that, is a little far-fetched, but there is a  
12 reason for it, and the reason is this. Ms. Wang is in  
13 different times would be called a revolutionary. She  
14 has put herself, her family, everything she's done at  
15 risk because she is opposing the communist party of  
16 China, and whatever it is that they say in the  
17 indictment, there is no dispute, none whatsoever, that  
18 she has put herself in jeopardy. Her son is in China,  
19 her husband, the man, the one and only boyfriend she's  
20 ever had, they're not allowed to have any communication  
21 with her --

22 THE COURT: Right, but as I understand the  
23 Government, I don't know if they've pivoted or whether  
24 they always asserted this, but their concern is with  
25 fleeing to other jurisdictions, be it the United Arab



PROCEEDING

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1  
2 Emirates where supposedly Mr. Je, a co-conspirator, is  
3 or Vanuatu where she has an expired passport application  
4 or wherever.

5 MR. LIPMAN: So, Your Honor, let me take  
6 Vanuatu first because that's easiest. Okay? Together  
7 with the passport that's expired, they also found two  
8 documents both for her and Mr. Kwok in her apartment  
9 saying that she's renouncing Vanuatu citizenship. So  
10 that's not an issue. The other thing is she got the  
11 passport for Vanuatu I believe in 2016, if I have that  
12 correctly, that was before she came to the United  
13 States. China and Vanuatu have since become good  
14 friends, and it's a different situation now, and I don't  
15 think it would be safe for her to go there.

16 As far as going to United Arab Emirates, the  
17 United Arab Emirates does not, from what we heard this  
18 morning from the Government in Mr. Kwok's hearing,  
19 United Arab Emirates does not extradite its citizens to  
20 the United States. It does have an extradition treaty  
21 with China. She's not a citizen of United Arab  
22 Emirates, nobody's suggesting that she is. She's not,  
23 she doesn't have a passport from there. The only  
24 passport that she had that was still live, they have  
25 possession of that passport. They found it in her

1 PROCEEDING 10

2 apartment. So no, she cannot go somewhere else.

3 Now let's talk about whether she --

4 THE COURT: Wait, wait, wait, I want to stop  
5 you there, just on the issue of the extradition with  
6 United, with the UAE. What I heard you say was that  
7 they don't have an extradition agreement with respect to  
8 citizens of the UAE, and then I thought I heard you say  
9 that they have an extradition treaty with China which,  
10 of course, she's not going to go back to, and this isn't  
11 a proceeding in China. What is their status with  
12 respect to extradition of a citizen of a third-party  
13 country, if you will, and extraditing to the United  
14 States? I'm sure the Government can tell me but I'm  
15 wondering if you have an understanding.

16 MR. LIPMAN: As far as I know, there is no  
17 extradition treaty with the United States, but it's an  
18 irrelevant issue rather because, first of all, she can't  
19 get there. Okay? And, second, she's not concerned  
20 about being extradited to the United States; she's  
21 concerned about being extradited to China --

22 THE COURT: I understand.

23 MR. LIPMAN: -- where she's going to get  
24 arrested and shot. I mean there's a difference. You  
25 know, as bad as the MDC is, it's not exactly a Chinese

1  
2 prison.

3 THE COURT: But is your point if she shows up  
4 at the UAE, she's going to get exported or extradited to  
5 China automatically?

6 MR. LIPMAN: Well, I don't know about  
7 automatically, but she certainly is in great danger of  
8 that happening. That's absolutely true. And, look, in  
9 the hearing that we had earlier this morning, the  
10 Government actually, it was discussed, all the efforts  
11 that the Chinese government has undertaken to get Mr.  
12 Kwok back to China, including bribing American  
13 officials, there's a case going on now, a criminal trial  
14 I believe is going on right now in D.C. in which several  
15 government officials who've been bribed by China in  
16 order to facilitate Mr. Kwok's deportation from the  
17 United States to China.

18 Well, the Government, this woman, according to  
19 the Government, is Mr. Kwok's chief of staff, whatever  
20 that means. Well, I don't think that they seriously  
21 will dispute that she is in danger. So --

22 THE COURT: I'm sorry, that she's what?

23 MR. LIPMAN: In danger.

24 THE COURT: In danger.

25 MR. LIPMAN: Meaning I don't think they

1 PROCEEDING 12

2 seriously dispute that if she went to China, got into  
3 China or that China wants her.

4 THE COURT: Right.

5 MR. LIPMAN: There can't be a serious dispute  
6 about that. So now let's talk about what would happen  
7 if she were in the United States. Basic reason, basic  
8 reason, she is Mr. Kwok's, according to the Government,  
9 chief of staff. She's very recognizable. Right? She's  
10 recognizable in the community of people who are here.  
11 This is a community of thousands of people in the United  
12 States. So the Government says, oh, they will hide her.  
13 Well, first of all, that's, forgive me, but that's just  
14 an improper inference. To think that thousands of  
15 people who are on the U.S. soil will secret a fugitive,  
16 is it because they're Chinese, is it because they speak  
17 Mandarin --

18 THE COURT: No, because they're, because they  
19 potentially were victims of the fraud.

20 MR. LIPMAN: Except for this. If they are  
21 victims of the fraud, they know what's going on, they're  
22 adults, and so they could at any time become persuaded  
23 that, in fact, she should be returned to the United  
24 States government if she is a fugitive.

25 But there's more to this, and the more is this,

1 if the Chinese - we know from what I've read in the  
2 paper, that the Chinese communist party has parking  
3 Chinese communist officials from their police in their  
4 United States consulate in New York. For a second can  
5 we think that they're not keeping tabs on her? And that  
6 if she showed up anywhere in any community where people  
7 speak Mandarin as their primary language that she would  
8 be spotted? For a second can anybody conceive that the  
9 Chinese communist party wouldn't find her and identify  
10 her and tell the government exactly where she is?

12 Now let's take the alternative. Let's assume  
13 for a second that she decided to hide herself in, I  
14 don't know, Utah among white people. She speaks English  
15 with a heavy accent, and her first language in Mandarin.  
16 Would she not stick out like a sore thumb? The idea  
17 that this woman can hide is blatantly absurd. It's  
18 absurd. And the idea that she could rely on people to  
19 hide her in the United States. So where are we? She  
20 can't leave and she can't hide. That's not flight risk.

21 But there's more. And the more is this. The  
22 Government said, and this is why we actually thought we  
23 were okay with the bail package that they proposed.  
24 They said we found stuff in her apartment that tells you  
25 that she's a flight risk. What is it? We found twelve

PROCEEDING

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phones. Of these twelve phones, six of them were secreted in boxes that were, that looked like brand new boxes of iPhones and these were used - this is a representation from the Government of the United States to a court in the United States. So we said, all right, let's look at the pictures. Send us the pictures.

Well. May I approach, Your Honor?

THE COURT: You may.

(pause in proceeding)

MR. LIPMAN: This is the evidence log, Your Honor, that was of collected items from her apartment. This is what we got from the Government. Okay?

THE COURT: Uh huh.

MR. LIPMAN: I'm going to assume that everything on here is true and correct because it came from the Government. If it's not, they should tell Your Honor. Here's a list of phones and where they were found. On the first page. Numbers 1, 2, 3, 4, 5, 6, 7. These are all iPhones, and they were all found on the kitchen table. Now, Your Honor, if the Court would like to see, I have pictures of them.

They were found on the counter in the kitchen, three of them. They were plugged in in plain view. There was a phone that was on the side of the table,

1 PROCEEDING 15

2 there was another phone someplace on the side. There's  
3 a description here. On nightstand, right of bed. On  
4 changing --

5 THE COURT: Right, well, those - all right, and  
6 they didn't say all of them were --

7 MR. LIPMAN: Your Honor --

8 THE COURT: -- secreted --

9 (interposing)

10 MR. LIPMAN: -- trust me, trust me --

11 THE COURT: Let's just --

12 MR. LIPMAN: I'm not bypassing --

13 THE COURT: I didn't think you were, but we  
14 don't need to go over the ones that are sort of obvious.

15 MR. LIPMAN: Well, Your Honor --

16 THE COURT: Okay.

17 MR. LIPMAN: I wouldn't be talking to you if,  
18 right?

19 THE COURT: No.

20 MR. LIPMAN: Okay. So here we go. On page 6  
21 of 9 --

22 (pause in proceeding)

23 THE COURT: Okay?

24 MR. LIPMAN: Oh, I'm sorry. I'm sorry, Your  
25 Honor. I apologize.

PROCEEDING

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THE COURT: Sure.

MR. LIPMAN: On page 7 of 9.

THE COURT: Okay.

MR. LIPMAN: Do you see where it says 56 --

THE COURT: Yes.

MR. LIPMAN: -- white phone, 57, white phone --

THE COURT: Yes.

MR. LIPMAN: -- 58, white phone --

THE COURT: In bag in closet.

MR. LIPMAN: In bag in closet. Not in a box pretending like it's new. It's in a bag in closet. I have a picture of the closet. I'm happy to show the Court the bag that it was in. There is, in fact, in that picture one white box for an iPhone in that picture. One box. And according to this none of these phones came out of that bag, that box. But even if one did, that's one.

Now, also on this page you see, Your Honor, where it says Mac book number 55 in between clothes?

THE COURT: Uh huh.

MR. LIPMAN: Okay, so one of the things that they said is, oh, look, she's hiding stuff in between, in her closet. She's secreted a laptop in between her clothes. So a couple of things about that. Number one,



1 PROCEEDING 17  
2 as the Government well knows, Ms. Wang is not unfamiliar  
3 with what happens when the FBI raids somebody. They  
4 raided Mr. Kwok previously. She knows what happens when  
5 that happens. Okay? So the idea that she could think  
6 that she could hide a laptop in between her sweaters is  
7 absurd.

8 But there's more now, Your Honor. Here is the  
9 - if I may - which is this?

10 ATTORNEY: 46.

11 MR. LIPMAN: If I may approach, Your Honor.

12 THE COURT: You may, and just, I want to  
13 confirm something. Are we looking at evidence and  
14 material that was not available before the hearing  
15 before Judge Parker?

16 MR. LIPMAN: This was not available to us  
17 before - we got this - so here's what happened. We  
18 asked them some of these questions about the phone,  
19 right, we asked those questions I think it was on the  
20 29<sup>th</sup>. Do you have our letter? But essentially, Your  
21 Honor, we got these the night before we saw you.

22 THE COURT: Okay, so that was well after Judge  
23 Parker's ruling.

24 MR. LIPMAN: If I may approach, Your Honor.

25 THE COURT: Yes.

PROCEEDING

18

MR. LIPMAN: Your Honor, this is the FBI schematic of the apartment that Ms. Wang lives in. By the way, it's 740 square feet. This is a woman who apparently defrauded people up to, for something like a billion dollars. Anyway, so on this page, Your Honor, I call the Court's attention on what is in the apartment and what is not. There is a bed in the bedroom, and there's a side table. There is a couch in the livingroom, and there's something in front of the couch, it's actually a (indiscernible). There is nothing else in this apartment. There's no wardrobe, there's no chest of drawers, there's no desk, there's nothing. So where does she keep her stuff? In the closets. All of her stuff is in the closets. Her old phones were in the closet. Right? There's nothing nefarious about putting stuff in the closet when you don't have any furniture.

So then, so then they say, okay, we found money in her apartment. We found money, we found \$138,000. Ms. Murray said in recent bills, she thought they were recent bills. Okay. So then we thought, all right, can we see the pictures of the money? Why did we ask for pictures of the money? Because we had reason to think that a bunch of that money was in red envelopes which apparently in Chinese culture it is common on holidays

1 PROCEEDING 19  
2 like Chinese New Year to give people gifts of money, and  
3 they found red envelopes. And so I wanted to see where  
4 the money is, what it looks like, and how old it is.  
5 Right?

6 So asked for the pictures. That's actually,  
7 truth be told, that's the thing that kind of prompted  
8 this conversation to begin with. (indiscernible) the  
9 money. Okay?

10 So what did we find? (pause) May I approach,  
11 Your Honor?

12 THE COURT: Yes, you may.

13 (pause in proceeding)

14 MR. LIPMAN: This, Your Honor, is the pouch in  
15 which the money was found. Now, the Government says in  
16 a letter to you, Your Honor, in their latest letter,  
17 they said conveniently in a bag for easy retrieval.  
18 Really? Okay, let's look at it. It's a bank bag. This  
19 is what money comes from when you get money from the  
20 bank. What else do we see here? We see that there are  
21 a bunch of this is in red envelopes. Now there's other  
22 cash in here, and, in fact, there's another picture.

23 THE COURT: Look, you don't need to go in this  
24 much detail on the cash. And, you know, I agree with  
25 you, I don't find the fact that it's in a bag

PROCEEDING

20

1 particularly persuasive that means someone's necessarily  
2 going to run because it's in a bag. It's organized.  
3 But one thing maybe you can tell me is, and I realize  
4 this is shifting time a bit, but I thought that in their  
5 filing that, their last filing that prompted putting  
6 this over, that they had indicated and represented that  
7 Ms. Wang did not disclose this \$138,000 to Pretrial, but  
8 I was under the impression this had already been seized  
9 a couple of weeks before.  
10

11 MR. LIPMAN: No, it was seized on the day of  
12 her arrest, okay, and the question that she was asked,  
13 the relevant question was did you have any money cash on  
14 you when you were arrested. She was arrested at 6:15  
15 a.m., she was in her pajamas. The truthful answer to  
16 that question is no. We checked out notes, we don't see  
17 any other questions that would have elicited a different  
18 answer. So did she disclose it voluntarily? No. I  
19 don't know that she was asked about it.

20 THE COURT: Okay.

21 MR. LIPMAN: Okay?

22 THE COURT: I get it.

23 MR. LIPMAN: But, Your Honor, even if she had  
24 been asked about it, there were a dozen FBI agents in  
25 her apartment ripping it up. Okay, I mean she was, she

PROCEEDING

21

1 was beyond stressed. She's sitting and talking, in a  
2 situation that she's never encountered, she's being  
3 asked these questions. Is it crazy that, you know, the  
4 question is have you, do you have any cash on you, and  
5 she says - did you have any cash on you when you  
6 arrested and the answer is no and she doesn't say  
7 anything else? I mean really?

8 All right. Now, by the way, before - because  
9 they're going to bring up another picture for you, Your  
10 Honor, and I don't want to be accused of giving you  
11 something less than the full picture. And the full  
12 picture is that when they made another picture of the  
13 money - I apologize, Your Honor. I've gotten so  
14 excited, I lost the other picture of the money. Here it  
15 is. May I approach?

16 THE COURT: Yes.

17 (pause in proceeding)

18 MR. LIPMAN: This is the picture that makes it  
19 look as if more of this money is more recent because you  
20 can see there are some old bills, some new bills.  
21 However, with that said, as I told the Government,  
22 there's a good explanation for why some of that money is  
23 recent. Okay? And the explanation, and I told the  
24 Government this, is that she had some pounds that she  
25

1 brought over from, with her herself at some point in her  
2 previous travels, and that those pounds, you know,  
3 however they got to her, but those pounds needed to be  
4 replaced because apparently when the Queen died, they're  
5 exchanging their money for money that looks, that has a  
6 picture of the King. Okay, so over time she had that  
7 replaced, so there's got to be something like \$30,000,  
8 \$40,000 in there that's recent that has to do with that.  
9

10 I asked to see the bills yesterday when it was  
11 too late for me to go do it, they said you can come see  
12 it. I'll see them at some point. But my point though,  
13 Your Honor, the idea that this is money secreted so that  
14 she can get out of Dodge, no, no, that doesn't make any  
15 sense.

16 THE COURT: No, but it is suggestive that she  
17 has access to significant funds even if that particular  
18 one wasn't what she was intending to use.

19 MR. LIPMAN: Let's address that. Okay? The  
20 Government says she didn't disclose all of the bank  
21 accounts over which she had control. I had a specific  
22 conversation with the Government in which I said if  
23 you're asking about accounts for which she can actually  
24 transact, meaning no third people, right, in other  
25 words, but my bank account, I can go and do stuff. My

PROCEEDING

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1  
2 firm's bank account, not necessarily. Well, in my case  
3 yes, but, you know, if you work for a firm, you may be  
4 able to direct somebody to do whatever, that's firm  
5 business, but you can't take it and put it in your  
6 pocket. Okay? So what I said to the Government is we  
7 are aware of two accounts, right, that are hers. We're  
8 aware of another business account where she could have,  
9 she could transact. We gave them the account and the  
10 number. Right? We're not aware of any other accounts.  
11 That is not, we did not hide from the Government that  
12 she owns this BBI entity. That's not - the question was  
13 --

14 THE COURT: I understand, that's, of the list  
15 of four things, three of them were business entities,  
16 two of them weren't even hers directly. What about the  
17 Himalayan cryptocurrency?

18 MR. LIPMAN: Good question. So I've been  
19 trying to figure out what happened with the Himalayan  
20 thing, and there are two things about that. Number one,  
21 the document that they're referring to, remember how I  
22 said there are some things where there's evidence, there  
23 are some things that are half-truths, there are some  
24 things that are contradicted, and then there are some  
25 things where it's just a leap? Right?

PROCEEDING

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1  
2           So what are they looking at? They're looking  
3 at a schedule that says allocation, okay, allocation.  
4 They're not looking at an account at H Coin. They're  
5 not looking - they're looking at an allocation. I've  
6 been trying to figure out what happened to that  
7 allocation. The best I can ascertain is that she has no  
8 idea what happened. I'm not saying that something  
9 didn't happen with it. I'm saying that she has no idea.  
10 Okay?

11           THE COURT: But which is --

12           (interposing)

13           MR. LIPMAN: But there's more --

14           THE COURT: The current value of that, right,  
15 at least the Government says is something like \$13  
16 million. I'm sure it was less than, well, maybe who  
17 knows given the market. But you would think that  
18 someone - I'm going to assume it was a significant  
19 amount of cyber currently at the time in that to her it  
20 was significant, and you would think one would keep  
21 track of that significant amount.

22           MR. LIPMAN: If one thought that it was theirs,  
23 then one would. But, Your Honor, here's - so the  
24 Government seized hundreds of millions of dollars,  
25 including from the Himalayan exchange. The Government



1 is alleging that it's all a fraud. Out of one side of  
2 their mouth they say it's worthless, and people can't  
3 actually turn it into cash. The SEC said, in its  
4 complaint the SEC says people tried to turn it into cash  
5 but couldn't. Well, is it or isn't it? Because if it  
6 is, then maybe it's worth \$13 million, though we don't  
7 know how to access it. But if it isn't, if their  
8 allegations are correct, then I don't know what the  
9 mechanism is for turning this into cash. Okay?

11 So this is all to say that the presumption is  
12 that she would be released or released pursuant to  
13 conditions that are least restrictive to assure her --

14 THE COURT: Right, but are we arguing anew? I  
15 mean this comes back to the question, Judge Parker  
16 implemented or ordered conditions. The crux of the  
17 problem is that one of her conditions is not being  
18 fulfilled because the Government has taken the position  
19 that none of the persons offered to be financially  
20 responsible are going to be sufficient suretors either  
21 because they don't exercise moral suasion, because they  
22 aren't financially responsible, or they are a victim or  
23 a participant in the alleged fraud. And there's a  
24 question of, okay, what happens if they keep on not  
25 accepting these people. So I just want to be careful

1 PROCEEDING 26

2 about thinking of this as brand new when Judge Parker  
3 has already set conditions.

4 MR. LIPMAN: So, Your Honor, if I may.

5 THE COURT: Yeah.

6 MR. LIPMAN: So, first of all, according to  
7 3142, 18 U.S.C. 3142(e)(iv)(3), "The judicial officer  
8 may at any time amend the order to impose additional or  
9 different conditions of release."

10 THE COURT: Yes. Understood.

11 MR. LIPMAN: So that's number one. Number two,  
12 as I explained to the Court, we agreed to \$5 million -  
13 I'm sorry, Your Honor, I used to be in, you know, for a  
14 brief time at the U.S. Attorney's Office. When the  
15 prosecutor says we found recent cash, we found stuff,  
16 they told us they found stuff, documents hidden in her  
17 cushions of her, the only piece of furniture she has.  
18 So they said they found in the cushions of her loveseat  
19 or whatever it is, okay. Well, somewhere here is my  
20 other exhibit that I'm going to, sorry, Your Honor, I  
21 get excited.

22 Anyway, somewhere here, I'll get it for the  
23 Court, yeah, this is fantastic, thank you. This is  
24 important. So, first, let me finish the first thing.  
25 Okay? So the photographs, the log of the photographs

PROCEEDING

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1  
2 that were taken. I was looking to see if I can find a  
3 photograph or a log of a document hidden in the  
4 cushions. That doesn't exist. You know what else  
5 doesn't exist? They said in their - this is a  
6 representation to a court, they said we found a phone  
7 hidden between mattresses in her bedroom. I want to see  
8 this picture. I want to find it on the log of pictures  
9 that are taken. Where is it? It doesn't exist. Or at  
10 least it hasn't been given to us.

11 Now, there is a picture like that that was  
12 taken at Mr. Kwok's search, and - thank you.

13 (pause in proceeding)

14 MR. LIPMAN: May I approach, Your Honor?

15 THE COURT: Yes.

16 MR. LIPMAN: So that's a picture of a phone  
17 hidden between mattresses. But it's not from her  
18 apartment. And I have yet to see the one from her  
19 apartment.

20 One other thing, they said she has stuff in  
21 her, in the pouch for easy retrieval, right, the money  
22 was in the pouch for easy retrieval. Everything was in  
23 a pouch for easy retrieval. You know what else was in  
24 the pouch for easy retrieval? I think every credit card  
25 she's ever had. I mean a bunch of old expired credit

1 cards, easy retrieval. It doesn't make sense.

2  
3 Now let me, Your Honor, let me just now switch  
4 over to the other piece of this which is the proposed  
5 co-signers, the Government's refusal to approve any, and  
6 what this is about. And I want to start with something  
7 that I actually did not plan on doing because it only  
8 happened in the courtroom this morning. You see these  
9 people here, many of these people here are here to  
10 support her.

11 She got emotional in the courtroom and started  
12 crying because she realized that all these people are  
13 here to support her, and let me explain what that means.  
14 The Government probably doesn't know this, but surely it  
15 is actually unlawful for the Government to disclose that  
16 somebody's an asylum applicant. There's a regulation  
17 that says that. I didn't know. I found out recently.  
18 I'm sure they don't know. I'm sure they didn't do it  
19 deliberately.

20 But the reason is obvious. Right? If you have  
21 somebody coming from a country, you identify them as  
22 somebody who's seeking asylum somewhere else, that  
23 immediately puts them in danger. All of these people  
24 simply by coming here, do you think there's no one here  
25 from the Chinese communist party in this room right now

PROCEEDING

29

1  
2 monitoring this? All these people simply by coming up  
3 and standing up for her have exposed themselves, their  
4 families --

5 THE COURT: I don't think anyone questions  
6 perhaps their intent. The question does the --

7 MR. LIPMAN: Does she care about them?

8 THE COURT: -- does the defendant care enough  
9 about these people that she's going to be concerned  
10 enough about whatever monetary means they're putting on  
11 the line versus taking flight, and one would paint the  
12 picture, if you're the Government, saying she's alleged  
13 to have committed fraud, you've got strong evidence. So  
14 why would she care about the people she defrauded?

15 MR. LIPMAN: Fair amount, Your Honor, I was  
16 about to address it.

17 THE COURT: Okay.

18 MR. LIPMAN: There are different ways to think  
19 about moral suasion. Right? I think we all agree that  
20 a brother can sign for a brother, and the first brother  
21 is not going to care. They're relatives, they're  
22 brothers, but they're not going to care. It's also true  
23 that people can connect in some way, they could be  
24 strangers, but they connected, right, and so somebody  
25 can have moral suasion over somebody else who actually

1 PROCEEDING 30

2 they don't have all that much interaction. They just  
3 love each other. Right?

4 But there's another kind, and the other kind is  
5 this, if you are a member of a certain kind of community  
6 and you're - and this community is important to you,  
7 it's important to you what happens to the members of  
8 this community. Now, the Government's going to say, oh,  
9 my God, a billion dollars, these people are victims.  
10 Well, they're here, they don't think they're victims,  
11 but that's another story. Okay?

12 But here's the thing, look at the indictment,  
13 Your Honor. Mr. Kwok is alleged to have bought himself  
14 a Lamborghini. I would love one. Okay? But does she  
15 have one? No. He apparently is living in a mansion and  
16 has other mansions and boats and this and that and the  
17 other thing. Where in the indictment is there an  
18 allegation that any of this money went to her? The  
19 closest they've come is this allocation of the coin  
20 allocation. Right? And we don't know what happened to  
21 that. Okay.

22 So the question you have to ask yourself is why  
23 is she doing this? Why does she leave her family, her  
24 son, her one true love, right, and moved to a foreign  
25 country where she is basically exposing herself as a

PROCEEDING

31

1 revolutionary, why did she do this? Okay. There's an  
2 answer, but that she's trying to enrich herself is not  
3 the answer. So then the question is would she, given  
4 what the Government has alleged about her, not about her  
5 co-defendants, but about her, because what happens to  
6 the co-defendants is relevant but what matters really is  
7 what happens to her.

8  
9 And also the question, given the allegations  
10 that the Government has made, right, is she the kind of  
11 person who will stick one of these people with a \$5  
12 million debt? And the answer to that is obviously no,  
13 she lives in a 740 square foot apartment without  
14 furniture, away from her family with whom she cannot  
15 have anymore contact. It's just beyond belief that we  
16 have given them eight people, grownups, right, they  
17 don't like all of them, that's fine. They say we didn't  
18 get enough documents with respect to certain people.  
19 Really? Somebody's willing to put up a \$3 billion  
20 house, what other documents do you want? We couldn't  
21 post that house unless we were able to prove to them  
22 that that house existed and belongs to the person who's  
23 posting it. Right? That person is an adult who  
24 understands what's going on and thinks that she, that  
25 that person has moral suasion over her and thinks that

1 PROCEEDING 32  
2 she's not - there are three people, the co-signers who  
3 are in this room today.

4 So where does the Government, forgive me, Your  
5 Honor, but where does the Government get off making  
6 those judgments for these people?

7 THE COURT: Well, that's part of what, I mean  
8 they get to form that judgment, and if you don't agree  
9 with it, that's why we're here, but they, the Government  
10 needs to be assured or feel assured that the financial  
11 security that's being posted is sufficient to reasonably  
12 assure that the defendant will not flee, and there is a  
13 valid concern I think in theory that if you have folks  
14 that are allegedly victims of a fraud that's being  
15 committed, that the fraudster or alleged fraudster may  
16 not be so incited as one might normally be,  
17 theoretically.

18 MR. LIPMAN: Your Honor, one cannot paint  
19 everything with a broad brush.

20 THE COURT: I agree.

21 MR. LIPMAN: One really needs to look at the  
22 particular circumstances, and the particular  
23 circumstances is that the Government is not alleging  
24 that she stole money. It's just that simple. They're  
25 alleging that the other two stole money. They're not -



1 PROCEEDING 33  
2 meaning for herself. They're going to get up and say,  
3 well, you know --

4 THE COURT: Yeah, she was allegedly  
5 instrumental and in the middle of it.

6 (interposing)

7 MR. LIPMAN: -- this and that. You know, and,  
8 by the way, forget the presumption of innocence like  
9 whatever. Anyway, the point is that they're not  
10 alleging she enriched herself at the expense of these  
11 people. So then the question is what is the reasonable  
12 conclusion, I mean a reasonable basis for concluding  
13 that she will do so with respect to this bond.

14 But, Your Honor, but I tell you this, everyone  
15 she knows falls into one of two categories. They're  
16 either friends (indiscernible) or a family, okay, or  
17 they're members of this community. You know, it's -  
18 sometimes people say, well, how is this possible? She's  
19 lived in the country for seven years and she doesn't  
20 have any friends. Well, she doesn't because she's a  
21 revolutionary, Your Honor, because she has a mission in  
22 life, and her mission is something different than making  
23 friends.

24 So my point is this, these people can only come  
25 from one of these two groups, okay, and if the

PROCEEDING

34

Government cannot approve cosigners who belong to one of these two groups because as a category they (indiscernible), then, Your Honor, you have the authority to change this, and, in fact, as the Court is well aware, one of the provisions in here is that you cannot have a financial condition that makes it --

THE COURT: "The judicial officer may not impose a financial condition that results in the pretrial detention of the person." 18 U.S.C.

3142(c)(2). And yet the Government seems to have found cases that say that in the context of the statute, that does not trump but rather what trumps is whether the conditions will reasonably assure the presence of the defendant at future proceedings. And even a case you rely on, U.S. v. Panaronda, says that too, and they said the ultimate question is the Court should consider whether that particular financial condition is a necessary part of the bail conditions to provide reasonable assurance of the defendant's appearance. I mean that's really what we have to decide.

MR. LIPMAN: And, Your Honor, that case, I'm going to mispronounce names so I apologize --

THE COURT: Panaronda.

MR. LIPMAN: Okay, what happened in that case

1 is Judge Sweet, we'll change the conditions. I mean and  
2 he said, look, there's \$250,000 bail here, this person  
3 is never going to either meet it or get anybody who is  
4 good for \$250,000. I'm going to reduce it to something  
5 that people can meet and still satisfy the conditions.

6 We proposed, just so that we're clear, in  
7 addition to posting, you know, property to secure the  
8 bond that would be more than enough, right, because, you  
9 know, it says two. There are three people who together  
10 have more property than \$5 million. They can post it  
11 all. They're prepared to do it. But separately. She  
12 has access, as far as I know, and the Government doesn't  
13 actually know anything different, she personally only  
14 has access at this point to two accounts that belong to  
15 her and that she has value in her apartment, we already  
16 posted that. So her apartment, one of her accounts  
17 completely --

18 THE COURT: With \$400,000.

19 MR. LIPMAN: Well, I'm not sure exactly.

20 THE COURT: Well, that was the one that you  
21 offered up --

22 MR. LIPMAN: Yeah, yeah. And then the second  
23 one monitor it. I mean we're happy to have - in other  
24 words, she --

PROCEEDING

36

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THE COURT: I get it.

MR. LIPMAN: -- would have no money --

THE COURT: Right.

MR. LIPMAN: Now, the Government says, well, you know, supporters, this and that, they can - that's true in every case. Your Honor, I'm going to sit down because I've been going on, you've indulged me and I appreciate that. But, Your Honor, there's no reason why this woman should spend another night in prison. There's no reason. She's not a flight risk. She has already put up her apartment. We're happy to have the three co-signers that are here are happy to go down and sign the bond today. We can post the - in fact, I will take personal responsibility for the two accounts. Thank you. My much wiser co-counsel reminded me that what these people have on the hook is not \$5 million. It's their lives and their families' lives because of what they're proposing to do for Ms. Wang.

If that is not an indication that they think they have moral suasion --

THE COURT: That's not, it's not, I don't question their thought process on it. And I just want to confirm something. In terms of what you did propose in terms of possibly modifying the conditions is you

PROCEEDING

37

1 wanted the Court to approve two of the eight that you  
2 had offered. You have three here now. You were going  
3 to, in addition to the security for the apartment, you  
4 were going to put up the \$400,000 account and the  
5 \$130,000 cash that was seized. You were going to put  
6 additional security through others that you now say I  
7 think that you could get to an amount in total of \$5  
8 million. Do I have that right?

10 MR. LIPMAN: Yeah, we could. I mean we have  
11 three people willing to post their property, and one of  
12 those houses is I think \$3 million, one is 1.7 if I  
13 remember correctly, but yes.

14 THE COURT: And then you proposed also that the  
15 Government monitor and approve any expenditures from the  
16 \$500,000 account.

17 MR. LIPMAN: I'd rather Pretrial did it and not  
18 the U.S. Attorney's Office, but yes.

19 THE COURT: Yeah, again, one of the driving  
20 concerns here is - I'm just looking for where this was  
21 said, that, and this is from U.S. v. Melville I think.  
22 "Bail is not for the purpose of providing funds to the  
23 Government to seek the defendant should he go  
24 underground or flee the jurisdiction. Bail is intended  
25 as a catalyst to aid the appearance of the defendant

1 PROCEEDING 38  
2 when warranted." So, again, I just want to emphasize  
3 that we're talking about what is the defendant going to  
4 be motivated to do.

5 MR. LIPMAN: I appreciate that, Your Honor,  
6 but, Your Honor, and I don't want to annoy you --

7 THE COURT: No, no, you're not annoying me.

8 MR. LIPMAN: -- with I've already said, but the  
9 fact of the matter is that --

10 THE COURT: And I'm not saying I think  
11 necessarily that she won't be motivated. I just want to  
12 make sure we're all on the same page about what's  
13 important.

14 MR. LIPMAN: Your Honor, you and I are on the  
15 same page, absolutely, but, again, when a woman starts  
16 getting emotional because people come here to support  
17 her, when the Government does not allege that her  
18 participation in the scheme, even if true, was for the  
19 purpose of benefitting her, I mean, really, she did all  
20 this so that somebody else can drive in a Ferrari?  
21 Really?

22 Anyway, they're not alleging that she did this  
23 for personal gain, and this is as good an indication as  
24 there is that what she's not going to do is stiff  
25 somebody for the 2 million.

1 PROCEEDING 39

2 THE COURT: Okay.

3 MR. LIPMAN: Okay. So I already said that she  
4 is a revolutionary. She believes in the cause. If she  
5 didn't believe in the cause, if she didn't believe in  
6 these people - thank you.

7 THE COURT: The two are not mutually exclusive,  
8 fraud and belief in a cause.

9 MR. LIPMAN: Well, Your Honor, that's true,  
0 but, again, you have to look at the individual and what  
1 is it that they did --

2 THE COURT: Of course.

3 MR. LIPMAN: And so --

4 THE COURT: I agree.

5 MR. LIPMAN: -- they call each other, so I've  
6 talked to a bunch of people --

7 THE COURT: I think I get enough.

8 MR. LIPMAN: You get it. And they call each  
9 other - just before I sit down, they call each other  
0 brother and sister, okay, and I've talked to a bunch of  
1 them, and I mean all I can say is that they're willing  
2 to risk everything, and she has not done anything to  
3 indicate that she would do, she would jeopardize them  
4 at, jeopardize them personally for her own, for her own  
5 personal gain.

PROCEEDING

40

THE COURT: Understood. Thank you.

MR. LIPMAN: Thank you, Your Honor.

THE COURT: All right, I will hear from the Government.

MS. MURRAY: Thank you, Your Honor. Just one brief point that Mr. Lipman just raised. With respect to the defendant's personal gain, the Government would note that the defendant's living in a \$1.1 million apartment. The defendant has nearly a million dollars -

THE COURT: One might consider that poor in the middle of New York, but, you know, nonetheless.

MS. MURRAY: Has nearly a million dollars in cash and her bank accounts, the two that were disclosed, and I'll get to that point. We have evidence that she was allocated \$7 million approximately of what was a cryptocurrency or a purported cryptocurrency at the time of the initial coin offering at a lower valuation. So that would be worth substantially more now. And she had over approximately \$138,000 of cash in her safe.

But I would like to reset with respect today's proceedings.

THE COURT: Okay.

MS. MURRAY: At the very outset, Your Honor



asked about the status of the bail proceedings, and no, there have no further discussions between the defense and the Government regarding proposed suretors. The Government has not received any documentation additional to the documents that the defense submitted in connection with their motion that support the various purported financial situation of the suretors that they proposed even though they were on notice from the Government's submission that we believe the documentation to be incomplete or inadequate to make an accurate determination or assessment. The Government has not successfully reached the eighth co-signer that the defense had proposed and, therefore, has been unable to interview that person. So that's where we are today.

Now, there are really three questions for the Court today. First, with respect to the defendant's motion, whether the Court should direct that the defendant has satisfied the conditions of her bond, the conditions that Judge Parker imposed when she was initially presented on March 15, several hours after her arrest. The answer is clearly no.

The second question is whether the Court should modify the conditions of that bond that Judge Parker imposed to remove the co-signers requirement, which is

one of the first modification requests the defense is asking for, or potentially in connection with or an alternative various different modifications, be it posting additional property or cash in support of the bond, adding co-signers, aggregating co-signers. Again, with respect to modification, the answer is plainly no, the Court should not do that.

And, finally, the third question, which was raised in the Government's submission last Friday, whether the defendant should be detained pending trial because there are no conditions or set of conditions that will reasonably assure her presence at future court proceedings. And, Your Honor, the answer to that is yes.

So I'll take each of those points in turn.

First, with respect to the proposed co-signers, the defense submitted documentation and names and information about those co-signers to the Court. That is because they are not approved by the Government. So under the statute the basis for the Court to approve unapproved co-signers is to evaluate documentation, information about those co-signers, and then determine whether they have a net worth with sufficient unencumbered value to pay the full amount of the bond,

here \$5 million. And I'm not going to go over each of the individuals, Your Honor, because we laid this out in great detail in our initial submission. We went through each of the seven proposed co-signers that the defense has presented to the Court here with documentation, again, setting aside the eighth whom we were not able to interview.

For each of those seven, based on the documents that the defense is providing to Your Honor for your consideration of whether those individuals meet the standard of the statute, first of all, Your Honor, none of them has appropriate moral suasion over the defendant. And, again, we laid this out but I would like to make that point a bit more finely because it's extremely important where here the defense is saying that these individuals exercise moral suasion.

And, Your Honor, is correct, it's not a question of whether the proposed co-signers believe that they have influence or moral suasion over the defendant. It's a question of how the defendant feels, and while we can't put ourself in our head or in her heart, what we can do is we can look at the evidence that's in front of us.

These seven proposed co-signers for Your

Honor's consideration, some of them have never met Ms. Wang, never spoken with her. A handful of them have met her at events, generally speaking. Most do not know where she works. Most do not know where she lives. They don't talk to her frequently. They don't appear to have a personal relationship.

Interestingly, and I'll get to this point, one of the individuals actually believes that Ms. Wang works at Gettir, which is one of the alleged entities involved in the fraud and a potential instrumentality. And believes that because that individual met Ms. Wang in connection with interviewing for a position at Gettir. I'll talk about why that's relevant. Another individual believes that she works at a company called HCHK Properties. Again, one of these shell companies that's used in the course of this billion dollar fraud.

And these proposed co-signers whom defense argues exercise moral suasion, they don't know the defendant well enough to even have personal relationship with her, and, therefore, we have no comfort that Ms. Wang would in any way be dissuaded by their signing a bond from fleeing, from leaving them responsible for paying the amount of the bond.

THE COURT: Well, even if they don't have what

1  
2 we think of as a traditional personal relationship or  
3 family relationship or a deep friend relationship, why  
4 can't they be bonded over a cause?

5 MS. MURRAY: They could be bonded over a cause,  
6 Your Honor. In this particular situation, and this is  
7 why the Government's argument about these individuals  
8 being potential victims of the fraud or apparent victims  
9 of the fraud is important, this fraud has been largely  
10 perpetuated targeting that community. It is a fraud  
11 that has focused on preying on and mobilizing people who  
12 support Mr. Kwok's and Ms. Wang's and Mr. Je's movement  
13 against the CCP. Those are the exact individuals who  
14 have been identified and targeted to send hundreds of  
15 millions dollars, over a billion dollars, of money to  
16 line Mr. Kwok's pockets, Mr. Je's pockets, their  
17 families, to reinvest in the companies that are the  
18 instrumentalities of the fraud, companies that Ms. Wang  
19 manages and works for, some on paper and some functional  
20 control.

21 So there's no comfort that the Government can  
22 derive from the argument that because an individual is a  
23 member of the allegedly community that Ms. Wang has  
24 supporters, that that will influence Ms. Wang to not  
25 flee.

1  
2 And, Your Honor, I just note, moral suasion  
3 factors vary, but some of the considerations include the  
4 strength of ties between the defendant and the proposed  
5 suretor. Again, here, with respect to all of the  
6 proposed suretors in front of this Court which the  
7 defendant provided to Your Honor, that factor doesn't  
8 exist.

9 Also, the defendant's roots in the community,  
10 we understand from defense counsel that Ms. Wang  
11 essentially works and then works within this community,  
12 but I would just note during the second attempt at this  
13 bail hearing for Ms. Wang Judge Netburn did note that  
14 Ms. Wang has lived in the country for seven years and is  
15 representing that she knows no one, no one who could  
16 potentially come forward as a co-signer who either isn't  
17 a potential victim within this community or a potential  
18 subject or co-conspirator of the fraud.

19 And then also the regularity of contact. And  
20 here, again, we don't have regular contact between these  
21 proposed suretors and Ms. Wang.

22 Now, turning to the second factor in evaluating  
23 the proposed suretors that are before the Court is  
24 financial responsibility. And, again, here, I don't  
25 want to belabor the point because we have gone through

PROCEEDING

47

each of the proposed suretors, but these individuals do not have sufficient assets of an unencumbered value to support the full amount of the bond. That is the statutory framework that we're working within at this point where conditions have been imposed, where the Government has unapproved suretors, and the defense has now moved to bring them before the Court --

THE COURT: Well, why I am hearing at least from the defense that with an entire package and the supposed three FRP's who are here, suretors, that they do have \$5 million. Let me just verify something, counsel for the defense, are you saying that that is unencumbered, 5 million?

MR. LIPMAN: Yeah, we have three people who have unencumbered - well --

THE COURT: Net unencumbered.

MR. LIPMAN: Thank you. Yes, net I think adds up to - let's put it this way, together with the million dollars that she has definitely, I know that one is \$3 million. I'm sorry, I'm spacing on one of them, but I'm pretty sure that those three cover \$5 million. But that they do including the --

THE COURT: Right, she's got the million, she's also got the 400, she's got the 138. So we're good for

1  
2 1.5 about.

3 MR. LIPMAN: Right.

4 MS. MURRAY: So a few responses to that, Your  
5 Honor.

6 THE COURT: Yeah.

7 MS. MURRAY: First, this is the first kind of  
8 question that I had mentioned that's before the Court  
9 which is simply whether the Court should direct that she  
10 has satisfied the conditions of her bond, the conditions  
11 that were imposed. And those are the conditions of two  
12 co-signers. And what defense has brought before Your  
13 Honor in this motion are seven or eight specific names  
14 with specific documentation they are purporting  
15 justifies the Court directing that two of those co-  
16 signers be approved.

17 Now, it's not clear which two the defense is  
18 asking Your Honor to approve --

19 THE COURT: No, but she has, look, there are  
20 three here today that he's specifically proposing. I  
21 don't know who they are at the moment, but I think he  
22 has one specifically in mind is my point, and one might  
23 also take, might be offering to say, well, geez, we want  
24 to but, you know what, the Government should pick the  
25 ones they think are best. Just saying there are ways to



1  
2 deal with that. But I understand.

3 MS. MURRAY: Sure. Yeah, and I understand,  
4 Your Honor. So then I guess I'll move to the second  
5 question which is whether the Court should modify the  
6 conditions of the defendant's bond, either to remove the  
7 co-signer to alter in and adjust the bond so that  
8 there's more cash or property securing the bond. As I  
9 said, the answer is plainly no to that as well.

10 And I just want to make a few points about the  
11 representations that counsel has made --

12 THE COURT: Before you do, let's assume for the  
13 moment there are no financially responsible people in  
14 your view because they don't know her personally except  
15 for having maybe met her a couple of times, they're not  
16 family, and the only thing they have in common is this  
17 cause. If I am to assess whether that particular  
18 condition is necessary to reasonably assure the presence  
19 of the defendant at future proceedings as opposed to  
20 some other combination of provisions, putting aside, of  
21 course, all the provisions that are already in place,  
22 the home detention, electronic monitoring, etc., why  
23 can't I then or why shouldn't I then consider other  
24 things that are being offered insufficient to take that  
25 place? Why does it have to be two financially

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2 responsible people as opposed to, you know, another  
3 combination of what's being offered?

4 MS. MURRAY: Your Honor can consider modifying  
5 the conditions of the bond certainly if you determine  
6 that there is a set of conditions that would reasonably  
7 assure the defendant's appearance at future court  
8 proceedings.

9 THE COURT: And to be clear, I'm not saying  
10 what I have in mind is anything less than what Judge  
11 Parker would think, and I'm not pretending to put myself  
12 in her shoes. But I could imagine that given that the  
13 Government and the defendant came to essentially an  
14 agreement on most of the terms of a package, that Judge  
15 Parker no doubt was assuming at the point that there  
16 would be two financially responsible people. And if she  
17 was presented with an argument that said, well, the  
18 Government's willing to agree to this, but we don't have  
19 anybody we're going to approve, she might take a  
20 different tact. She might not, she might say, you know  
21 what, it's the Government's prerogative, the Government  
22 offered this package, they can't satisfy it, t's not  
23 going to do it, then I'm going to detain.

24 So I'm not saying it should necessarily come  
25 out differently, but I think it's a little too pat in

1  
2 some respects - well, again, why that condition as  
3 opposed to what else is being offered?

4 MS. MURRAY: Well, there are actually multiple  
5 conditions, and, Your Honor, the reason is that when the  
6 Government discussed a proposed bail package on consent  
7 with defense, it was hours after the defendant was  
8 arrested on March 15. The Government had not had the  
9 opportunity to go through the evidence that was then  
10 being collected from the defendant's apartment in  
11 connection with the FBI's premises search. And,  
12 frankly, the Government was not yet aware that the  
13 defendant was going to lie to this Court, to Pretrial  
14 Services --

15 THE COURT: I don't understand what the lies  
16 are. I have to say I didn't, you know, in your letter  
17 you accuse the defendant of dissembling on this. The  
18 only one that grabbed me as a possible dissembling would  
19 be the cryptocurrency. But it's certainly plausible  
20 that you could have a cryptocurrency that was allocated  
21 in 2016 I think the date was and, you know, it may have  
22 never materialized into anything. It certainly  
23 suggests, you know, where did that go, can't someone  
24 tell us, but right now she's saying she has no control  
25 over access to it because she doesn't even know where it

1  
2 is or what it is.

3 MS. MURRAY: So a few points there, Your Honor.  
4 First, the defendant during her Pretrial Services  
5 interview indicated she's been unemployed since  
6 September of 2022. Now, documents that the Government  
7 reviewed late last week that had been seized from her  
8 apartment and additional evidence that the Government  
9 has, and, as you know, we can proceed by proffer in  
10 detention hearings --

11 THE COURT: Yes.

12 MS. MURRAY: This is not a mini trial. But the  
13 Government's evidence is that the defendant was, in  
14 fact, continuing to work in connection with her named  
15 position with family offices of Mr. Kwok's family money  
16 and also with some of the other entities that I  
17 mentioned that are instrumentalities of the fraud up  
18 until effectively the date that she was arrested. We  
19 have seen documents that lay out the financial position  
20 of various of the different entities that are associated  
21 with the fraud. Those include Gettir which is, as I  
22 mentioned, one of the proposed suretors believes Ms.  
23 Wang formally works for. They include HCHK Property  
24 which another of the suretors believes Ms. Wang formally  
25 works for, and the Government's evidence shows Ms. Wang,

1  
2 in fact, is the 99.999 percent shareholder of HCHK  
3 through her BBI entity.

4           They include G Clubs which is one of the arms  
5 of the fraud that is outlined and alleged in the  
6 Government's indictment. They include the Rule of Law  
7 Society and the Rule of Law Foundation which are  
8 charities, purported charities that Mr. Kwok and others  
9 founded in 2018 that laid the groundwork and the basis  
10 for collecting all these monies through the different  
11 arms of the fraud.

12           And, Your Honor, these are printouts of  
13 balances of accounts, accounts raised through present  
14 which, as reflected in the documents, was variously  
15 February 2023 or March 13 of 2023, two days before the  
16 defendant was arrested.

17           THE COURT: But those are corporate funds,  
18 right, but you're using it for the point about  
19 employment.

20           MS. MURRAY: I'm using it for the point about  
21 employment, Your Honor, and also effective control. Mr.  
22 Lipman indicated he doesn't know what the Government  
23 means when it uses the general phrase chief of staff.  
24 What the Government is alleging by so characterizing Ms.  
25 Wang is that she manages and controls these various

1  
2 entities. Now, like Mr. Kwok, she doesn't have her name  
3 on each of the different companies that she is involved  
4 with, but the Government has no question in light of the  
5 evidence both found in Ms. Wang's apartment, the fact  
6 that people associate Ms. Wang formally with these  
7 companies because they interviewed with her for jobs at  
8 some of these companies or they had contracts with her  
9 in connection with their work with some of the  
10 companies.

11 Ms. Wang runs the show with respect to these  
12 instrumentalities. She has done so up until the day of  
13 her arrest contrary to what she told Pretrial Services.  
14 And the Government would allege that part of the reason  
15 that she lied to Pretrial Services was to disclaim  
16 association with the various different instrumentalities  
17 of the fraud. To say that she took herself out of the  
18 fraudulent entities, notably, Your Honor, right around  
19 the time that the Government started to seize \$630  
20 million in fraud proceeds.

21 So in the Government's view, at the time of the  
22 initial presentment and bail argument, we were not aware  
23 that we were going to find concrete evidence in the  
24 defendant's apartment that, in our view, proves what the  
25 Government already alleged and believed to be true from

1  
2 its investigation which is Ms. Wang has continued  
3 working for these companies up until the time of her  
4 arrest. So that is one point, Your Honor. It's a  
5 change in circumstances. The Government has a change in  
6 circumstances from where it was at the time of the  
7 initial presentment.

8           Now, with respect to accounts, the allocation  
9 of H coin or one of the purported cryptocurrencies that  
10 is traded on the Himalaya exchange, again, another arm  
11 of the fraud, the allocation document was found in Ms.  
12 Wang's apartment with various other documents that seem  
13 to support the fraud. Your Honor is correct, defense is  
14 correct, there's no way for the Government to prove that  
15 Ms. Wang holds that money, and, in fact, the  
16 Government's allegation is that it's not cryptocurrency,  
17 but we're not alleging it's valueless. We're alleging  
18 that certain people have it and the people who are  
19 quickest to redeem can basically have an exit scam and  
20 get out with their money.

21           I would note while, again, we don't have access  
22 to an account that Ms. Wang has where the money is held,  
23 Your Honor correctly identified approximately \$7 million  
24 worth of a cryptocurrency asset would be something you  
25 would want to keep track of. The allocation indicates

1  
2 Yanping Wang, and then it has the allocation, it's in  
3 her name.

4 I would note that some of the other individuals  
5 or entities who are allocated HCN in the document that  
6 the Government has include Ms. Wang's co-conspirator,  
7 William Je. It says Sue Ming Je and family, that's one  
8 of his family members. It includes Mr. Kwok's son, it  
9 includes friends of Mr. Kwok's son, all named by their  
10 names. Ms. Wang is also named by her name. Allocated 7  
11 million.

12 Now, I don't know if she forgot or she just  
13 didn't think it was relevant to disclose to Pretrial  
14 Services, but this is a newly discovered fact the  
15 Government found in the course of reviewing evidence  
16 that was taken from Ms. Wang's apartment that gives us  
17 serious pause, and it's something that's different from  
18 when the Government first agreed to the conditions of  
19 the proposed bond with defense counsel.

20 Another point I would like to note, with  
21 respect to the accounts to which the defendant has  
22 access, I understand that the way that the condition is  
23 worded it could be read narrowly or broadly. In the  
24 Government's view it certainly imposes an obligation on  
25 the defendant to be forthcoming. And the condition



1  
2 included the requirement that the defendant disclose  
3 assets or accounts that she controls in her name or that  
4 are in companies that she controls or is affiliated with  
5 and, broadly speaking, cryptocurrency and other real  
6 property.

7           The Government has found evidence, again, dated  
8 as recently as a few days before the defendant's arrest  
9 from her apartment, as I said, that show bank account  
10 information, account information, Ms. Wang signing off  
11 on payroll for some of the instrumentalities that she  
12 doesn't control, but that the Government certainly  
13 alleges that she manages and works for in her role as  
14 Mr. Kwok's chief of staff. So to the Government that  
15 indicates effective control over those finances.

16           Even setting that aside though, Your Honor, Mr.  
17 Lipman mentioned that there were credit cards and other  
18 items in the safe. The Government had indicated that  
19 there was cash in one of the pouches, another pouch with  
20 certain items that appeared to be and are ready to take  
21 at the ready.

22           THE COURT: You mentioned a safe. Was there a  
23 safe?

24           MS. MURRAY: There was a safe. Yes. So the  
25 bag with the cash and another bag that had credit cards

1 and other items, including the passports, those were all  
2 concealed in a safe in defendant's apartment.

3  
4 The credit cards notable that were taken from  
5 one of those pouches in the safe, looking at the front  
6 cover of those credit cards which were photographed and  
7 we provided to defense counsel last week, there are  
8 numerous cards that indicate accounts that are not yet  
9 expired in the defendant's name that the defendant did  
10 not disclose to the Government or to Pretrial Services.  
11 And at this point, we have no way of determining what  
12 assets are in those accounts, how the defendant  
13 continues to control those accounts, but it's, again,  
14 another layer, Your Honor, where we cannot derive  
15 comfort that the defendant is being truthful with  
16 Pretrial Services, with the U.S. Attorney's Office, or  
17 with the Court.

18 And at a very high level, to talk through those  
19 accounts, there is a Citibank account for one of the  
20 Kwok family entities that the defendant controlled that  
21 was active through last month when she was arrested. So  
22 it was active at the time. There were two personal Bank  
23 of America debit cards, different account numbers, both  
24 in the defendant's name, in her name, personal accounts.  
25 One which expired last month but, again, active when she

1 was arrested. The next which expires next year. There  
2 is a Citibank personal account in the defendant's own  
3 name which doesn't expire for another year. There's a  
4 DBS Treasures account at a Singapore Bank, and the  
5 Government explicitly asked about foreign accounts as  
6 well. That card doesn't expire until January of 2025,  
7 again, in the defendant's name. And, finally, a China  
8 Bank of Communications account, it's a Chinese bank.  
9 That account, the card indicates it expires September of  
10 2023, also in the defendant's name.

12           It's another example, Your Honor, of  
13 indications to the Government that the defendant has  
14 access to accounts, assets, funds that she could use in  
15 order to flee. And if they are funds that we needed to  
16 rely on the defendant to disclose to satisfy another  
17 condition of the bond that was imposed. Separate and  
18 apart from the question of co-signer, she was obligated  
19 under the conditions imposed to disclose her assets, her  
20 accounts, her cryptocurrency, her property to the  
21 Government and to Pretrial Services.

22           She represented through counsel that she had  
23 done that simply by disclosing two personal accounts,  
24 one at Morgan Stanley Bank, one at TD Bank, and then  
25 this account that was associated with one of the

1  
2 companies. She did not disclose in the Government's  
3 view by any stretch the corpus of money that she has  
4 access to.

5           These are examples of new circumstances that  
6 gives the Government grave concerns. Grave concerns  
7 about the defendant's incentives to flee, about her  
8 ability to flee, about the fact that we cannot trust  
9 representations that the defendant is making. And, Your  
10 Honor, in those situations where we have so many red  
11 flags and so many concerns that the Government would not  
12 necessarily have identified if we hadn't found this new  
13 information. We simply do not have any assurances that  
14 there are any conditions or set of conditions that will  
15 assure the defendant's appearance at future court  
16 appearances.

17           So that goes to the third prong, Your Honor.  
18 It's the fact that the Government is now coming to the  
19 Court saying we agreed on these proposed bail conditions  
20 at the time of her arrest based on what we knew then.  
21 The world has changed since then, and it has only gotten  
22 more concerning for the Government which already had a  
23 significant concern about the defendant's risk of flight  
24 but believed that there may be certain conditions that  
25 could assure her appearance. We no longer feel that

PROCEEDING

61

way. We do not believe there are conditions or a set of conditions that can reasonably assure her appearance.

THE COURT: One clarification. In regards to - you referred to, I think you referred to, I don't know if you were referring to the allegations of the indictment or something else, but you referred to Mr. Kwok and Mr. Je as being the ones who were sort of lining their pocket and getting rich. Are you in agreement with defense counsel that the indictment doesn't make allegations that the defendant here herself was lining her pockets so to speak?

MS. MURRAY: I guess to answer Your Honor's question, the indictment does make allegations that the defendant herself was personally responsible for a hundred million dollar misappropriation of fraud proceeds --

THE COURT: I understand.

MS. MURRAY: But that's to the point of misappropriation. Now, with respect to the indictment which is a charging document that contains some allegations, we haven't specifically outlined personal money that the defendant herself misappropriated, but, again, we don't believe that that is in any way germane to her risk of flight and her access to money here and

1  
2 to a network.

3           And another point that I would like to note is  
4 with respect to travel documents and passports. Mr.  
5 Lipman said that the defendant had been seeking  
6 permission to travel at the end of last year or  
7 beginning of this year, and she was going to go I  
8 believe to the U.K. Travel internationally.

9           The Government recovered a Vanuatu passport and  
10 a Hong Kong passport from her safe. The Vanuatu  
11 passport was expired, and we did see evidence which we  
12 disclosed that that passport had been kind of not  
13 revoked but that the defendant had removed her request  
14 from the passport. But she has the ability to obtain  
15 travel documents as does her co-defendant Miles Kwok who  
16 allegedly has had 11 passports at various points.

17           THE COURT: Well, she's not Miles Kwok.

18           MS. MURRAY: I understand --

19           THE COURT: I understand she could be part of a  
20 network where things like that can be made available is  
21 what you're suggesting I think.

22           MS. MURRAY: That's exactly right, Your Honor,  
23 it's exactly right that she can both be part of the  
24 network where things can be made available and she is  
25 the one who is tasked with holding onto those travel

documents both for herself and Mr. Kwok. She is a trusted person who is entrusted with the responsibility of having those travel documents --

THE COURT: What do you make of the defense's points that the defendant certainly would've been aware in September or October of 2022 about the seizure of phones and that something was afoot and then there was the dealings with the SEC, together with the fact that, again, as defense has represented, that she applied for a furlough to be able to travel despite her asylum aps. Aren't those, if true, sort of indicative of someone who's not going to run?

MS. MURRAY: Not necessarily, Your Honor, and I would also note that while, you know, there may be a question of whether those are at odds, and I'm happy to address that in a moment, I would also note that the defendant's willingness and, in fact, desire to travel to the U.K. even though she has these serious concerns, the CCP's persecution of repatriation, indicates that those concerns are not so grave that she's not willing to travel internationally.

But I don't know the circumstances of the defendant's requested furlough. I don't know what the purpose was of her going on that trip. I will say that

there's no reason - if we're speaking in hypotheticals in this instance, there's similarly no reason to believe that she didn't request furlough to go to the United Kingdom without any intention of returning after she was aware the funds had been seized. And, again, I'm speaking in hypotheticals only because we were asked a question by the Court, but I think you can draw various different conclusions from these facts. And at bottom, her seeking to travel to the U.K., her willingness to travel internationally, doesn't cut against the fact that she poses a significant risk of flight.

And I'd also note, it's a risk of flight non-appearance at future court appearances. We don't need to establish that she's going to go to a foreign jurisdiction --

THE COURT: No.

MS. MURRAY: She could flee from the city, she could flee from the several block radius. She could cut her bracelet. And it could be that her vast network of supporters enable and harbor her. We don't know the circumstances, but the bottom fundamental point is the defendant poses a significant risk of flight. The Government sees no condition or set of conditions in light of the strength of the evidence, the seriousness



1 of the charges here, the defendant's personal  
2 circumstances, her access to substantial assets, foreign  
3 connections including her co-defendant William Je who is  
4 alleged to be in the UAE as a fugitive of where he has  
5 charges, her network of supporters, and the new  
6 information that we have found in the last two weeks,  
7 indicating that the defendant has not been forthcoming  
8 with the Court, Pretrial, or the Government. We simply  
9 don't believe there are any conditions that can ensure  
10 her appearance at future court proceedings.  
11

12 THE COURT: All right. I assume you want to  
13 respond some.

14 MR. LIPMAN: Oh, yes, Your Honor. Thank you.

15 THE COURT: Just let me say to my 3:30, sorry,  
16 that we're going to be running late. Just sit tight,  
17 and we'll eventually get there. Go ahead.

18 MR. LIPMAN: I'll do this as quickly as I can,  
19 Your Honor. So I want to start with the following.  
20 Everything I said about what they misrepresented in  
21 their conversations with the Court and submissions  
22 apparently is true because none of it did they take  
23 issue with. So all of that stuff about finding, you  
24 know, a phone between mattresses, phones secreted in  
25 whatever it that they were, a document hiding in between

1  
2 the cushions, none of that apparently happened. It is,  
3 it was represented to the Court.

4           So now we get to the point of trust. They said  
5 trust. You can't trust this defendant. Really? But  
6 you can trust this Government? Let's just see, let's  
7 just parse through what Ms. Murray just said. She said  
8 that she found photographs of cards, some of those  
9 showed that the card is not yet expired. How do we go  
10 from there to, oh, and there's an account that goes with  
11 it? What evidence does she have? None. None  
12 whatsoever.

13           What she knows - by the way, Your Honor, I have  
14 never, the words Great Britain never left my mouth.  
15 Okay? That means that they knew that she was about to  
16 travel. Why didn't they arrest her? If they thought  
17 that she was going to get out of Dodge and they were  
18 concerned that she was a flight risk, well, when they  
19 found out that she applied, well, arrest her. What,  
20 they didn't have a border watching her? Really?  
21 Because the Department of Justice has changed that much  
22 since I was there? I don't think so.

23           So now let's get to her employment. Once  
24 again, what was the question that was asked? Are you  
25 currently employed? No. No. If the question were

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PROCEEDING

67

asked are you still a member of a revolutionary movement that does whatever it is that they try to do to get rid of the communist party of China, the answer to that is yes.

THE COURT: Well, wasn't she working for one or more of the companies?

MR. LIPMAN: She was working for the family office.

THE COURT: Yeah.

MR. LIPMAN: There's no dispute that she had input into various things that happened. I'm not taking issue with what they say that she interviewed people for whatever it is and this and that. The Government knows, yeah, the Government knows that she was the 99.999 percent owner of this entity that owns these three other companies. None of that is a secret. Okay?

THE COURT: But was she --

MR. LIPMAN: But was she --

THE COURT: Was she employed?

MR. LIPMAN: No, she got, she was not getting, drawing a salary anymore. She was not employed. She worked, she continued to do certain kind of work, but she did not get paid. She was volunteering. And the reason she's volunteering, Your Honor, this goes back to

1  
2 what we talked about before. The reason she is  
3 volunteering is because this is a political movement  
4 that she --

5 THE COURT: What was she doing for a source of  
6 funds then?

7 MR. LIPMAN: Well, she's still, she has --

8 THE COURT: I understand she has accounts.

9 MR. LIPMAN: And, by the way, Your Honor, the  
10 house that she bought, her apartment, she bought before  
11 any of these fraud allegations --

12 THE COURT: Yeah, I understand.

13 MR. LIPMAN: And, Your Honor, look, I'm sorry,  
14 but the few things that the Government says, they say  
15 change in circumstances. What's the change in  
16 circumstances again? That she's volunteering whereas  
17 she used to - of course. So what? So what? The day  
18 before her arrest, did she know she was about to get  
19 arrested? Because if she did know that she was about to  
20 get arrested and she didn't get out of Dodge, then she's  
21 not a flight risk. So she was going about her normal  
22 life. What is so, what's the new - what is new about  
23 that? Absolutely nothing.

24 Now, and then what is they say - she lied to  
25 disclaim that she had nothing to do with any of these

1 companies? When? To whom? And I had a specific  
2 conversation with the Government when they say, well,  
3 Ms. Murray says, she says that, broadly speaking, the  
4 question could be that broadly construed or narrowly  
5 construed. Well, first of all, nobody's taken my  
6 client's Fifth Amendment (indiscernible), not that I  
7 have heard, and when she was asked the question, she  
8 gave an answer, the answer was truthful. If they wanted  
9 to know more, they should've asked. And I specifically  
10 had a conversation with the Government, and I said  
11 excluding anything that she may have control over by  
12 virtue of corporate ownership or whatever, these are the  
13 accounts.  
14

15 She's not a flight risk, Your Honor. There's a  
16 question that I keep asking myself is this. Why? Why  
17 is the Government misrepresenting evidence? Why is the  
18 Government stretching stuff, stretching stuff? Even if  
19 they believe that, you know, there's more to this. Even  
20 - I'm sorry, I'm sorry, I'm reminded that on her  
21 employment question, we actually invoked, she invoked  
22 her Fifth Amendment right. Okay? Thank you.

23 Even - I lost my train of thought. I  
24 apologize. I think I was responding to this idea that  
25 she controls stuff. There's no - we never hid that.

PROCEEDING

70

1  
2 The only question is is she a flight risk? What is it  
3 about her that makes you think that she's not going to  
4 show up? She will show up, Your Honor. She's got  
5 nowhere to go. Nowhere. And the Government keeps -  
6 this is where I was, thank you.

7 Why are they stretching it? Why? What is the  
8 reason? I mean, really, does she look dangerous? What  
9 is it --

10 THE COURT: They're not moving on  
11 dangerousness.

12 MR. LIPMAN: I'm sorry, no --

13 THE COURT: They're not moving on danger.

14 MR. LIPMAN: There is a reason why they're  
15 doing it. They want her to cook. They want her to get  
16 a flavor of the MDC because she was the chief of staff,  
17 Your Honor, and that is not okay. That is immoral. And  
18 when the Government obtains that result by, among other  
19 things, misrepresenting, saying that she's a flight risk  
20 on the basis of things that they cannot support, that  
21 contradict the evidence that's collected, that is - is  
22 anybody other than me think that it's a little bit  
23 peculiar or ironic that the Government is alleging that  
24 she violated certain antifraud provisions that make it  
25 unlawful to make a statement that in light of all

PROCEEDING

71

circumstances is materially misleading and yet this is what the Government is doing? Why?

Your Honor, this woman needs to be released. She's not a flight risk. She's not going anywhere. She's going to have an ankle bracelet, she'll have GPS monitoring. We can have all of her money tied up so that she can't breathe without Pretrial or somebody giving her approval.

And one last thing, if she's not released, her defense is going to be severely prejudiced.

THE COURT: It's true for anybody who doesn't get released.

MR. LIPMAN: Except, except when that person also has Mandarin as her first language, when the Government asks for a disk to put 2 terabytes of data on it. This is not a case that's going to be resolved quickly, and it is a case in which it's going to be very important to have your client's assistance.

THE COURT: Okay, thank you. Ms. Murray, do you want to have the last word here?

MS. MURRAY: Yes, Your Honor, briefly. I want to start by saying there is nothing that the Government has misrepresented to the Court. The Government has not reached on facts. The Government has provided evidence

PROCEEDING

72

substantiated information that it has presented to this Court and to the defense. With respect to the credit cards Mr. Lipman mentioned, it's not a photo of the cards. It's a photo of the cards that we have before the Court and the defense today. They were the physical cards. But we resent the claim that we are in any way acting other than --

THE COURT: I know --

MS. MURRAY: --fully forthcoming and in good faith.

THE COURT: -- I have no doubt you're operating in good faith. But he did point out some things that were discrepancies it seemed between what was represented in terms of where certain pieces of evidence were found in her apartment versus what was inventoried and how it was inventoried. Can you speak to that?

MS. MURRAY: Sure, Your Honor. There aren't discrepancies. What Mr. Lipman has done is he's pointed to an evidence log that has a column where there are certain notations made when the FBI is collecting evidence that indicates where the item was recovered. Typically, it indicates the room by letter based on the map that Mr. Lipman provided to the Court and a brief description. It does not indicate in a detailed



PROCEEDING

73

narrative where each and every item that is taken as evidence was recovered from, what condition it was in, how it was found.

So with respect the laptop between clothes, that is consistent with the Government's representations to Judge Parker at the initial presentment that the laptop was found between sweaters in the closet. It doesn't say specifically what items of clothing --

THE COURT: No.

MS. MURRAY: -- or where, but it's consistent. With respect to the iPhones that the Government had indicated had been in boxes, yes, in a bag in the closet, and you can see those are the items that Mr. Lipman pointed Your Honor to in the 50's on the evidence log. And you'll note that nearly each of them has the same PIN code or passcode. So those are items that at first the FBI thought might not have any content, and then the FBI had technicians on site during the search warrant, they plugged them in, and they determined they had content. There are no misrepresentations.

Mr. Lipman is now, again, Your Honor, essentially trying to hold a trial on the merits of the Government's case here at a point of a detention hearing by, first of all, requesting information from the

Government which we happily provided and would have so provided in the course of discovery in this case as well, and then trying to hold it against the Government by claiming that because there isn't a photo of each stage of every step of the process that evidence was collected, then the Government can't be trusted. It is simply not true, and it's disrespectful, Your Honor.

With respect to a couple of other points, I would just like to note the defendant lied. She lied about the cash in her apartment. I have now heard the defense during the course of this argument split hairs on several topics, and that is another example of what gives the Government pause.

THE COURT: Well, how do we know - it is important what was asked. Do you have any money on you? Do you have any money in your apartment? There's a difference.

MS. MURRAY: I understand, Your Honor, and the Government obviously is not privy --

THE COURT: And particularly for someone of a different language and culture, it might be all the more important that there's nuance to what's asked. I don't know what was asked.

MS. MURRAY: Sure, and nor do we because the

Government is not part of Pretrial Services interview with the defendant. She was assisted by a Mandarin speaking interpreter during that interview. The Government is also aware from its investigation that Ms. Wang is quite fluent in English. We know that from various different pieces of evidence we've collected, including statements that she's made and her voice during conversations. She doesn't appear to have an issue understanding.

But with respect to the questions that were asked, again, I don't know, I was not there. The defendant is very much so splitting hairs on several topics. I will note that the Pretrial Services report indicates that the defendant was asked about assets, assets, not specific accounts that she is the sole signatory on, not specific accounts that are active that she has control over and log-in information to. We're not splitting hairs. Pretrial Services asked about assets, and she did not disclose \$138,000 worth of cash that was sitting in a safe in her apartment.

With respect to her employment, the defense just indicated that she had invoked - the Pretrial Services report with respect to employment history indicates that the defendant advised she has been

unemployed since September 2022. Now, with respect to the source of additional money that she has since then or that she is living on, the defendant declined to answer, and that is her right. But she did provide this statement in response to Pretrial Services report, she's been unemployed since September of 2022.

Now, Mr. Lipman says that the defendant has been volunteering in various organizations that she previously might have worked in a more formal employment capacity. I just want to go back briefly to the personal gain point that Your Honor has asked about. Yes, I understand \$1.1 million might not be an expensive apartment in Manhattan, but it's a \$1.1 million apartment purchased in cash. The defendant has nearly another million dollars in her accounts. The defendant was up until her purported decision to terminate her employment and start volunteering was earning a salary of approximately \$250,000 from the Kwok entities that she worked for formally, in a formal capacity. That is personal gain in the Government's view.

It is also inconsistent with now the claims that September 2022, right when the Government started seizing funds, the defendant stopped working in a formal capacity. She can't be held responsible for any of

PROCEEDING

77

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2 these bank accounts that she's signing off on payroll  
3 for, that she has access to the funds for.

4           Your Honor, at bottom the defendant is a risk  
5 of flight. There are no conditions that can reasonably  
6 assure her appearance. She has lied. The Government  
7 has not misrepresented itself to the Court. And we have  
8 no comfort that we can believe that she will make  
9 accurate representations to the Court, that we will have  
10 the ability to monitor her in any meaningful way that  
11 would assure her appearance at future court proceedings.

12           THE COURT: Thank you. Mr. Lipman, I see you,  
13 do you want to respond? Go ahead.

14           MR. LIPMAN: Your Honor, answering the question  
15 that's posed truthfully is a complete answer. It's not  
16 splitting hairs --

17           THE COURT: Look, the bottom line is we don't  
18 know really what was asked and how it was asked --

19           MR. LIPMAN: Well, we were there.

20           THE COURT: Fine, but I'm saying we don't have  
21 a record --

22           MR. LIPMAN: But, Your Honor, there is no  
23 record, and there is no proof of these things that the  
24 Government says --

25           THE COURT: I --

PROCEEDING

78

MR. LIPMAN: -- which is what --

(interposing)

THE COURT: I didn't say which way it cuts.

MR. LIPMAN: No, but, Your Honor, they said we found a credit card. Well, that means she didn't disclose an account. No, you found a credit card. Okay? We found a statement that said that whatever, that she was allocated some coin. Yes, that's what you found, that's what you have. You don't have anything else. So to tell me that she needs to be detained and she cannot be trusted because they found something that they don't fully understand, I'm sorry, but that's a bridge too far.

And, yeah, a bunch of her accounts, by the way, as the Government knows, were closed, and the Government's investigation kind of followed that. So like the Citi accounts, for example, were closed. Other accounts at other banks were closed recently, they were closed. And the other thing, Your Honor, when they say she controls this or she controls that or whatever, okay, she worked somewhere, she no longer works there, she doesn't draw a salary. What she does with her time is her business. It's not cutting - it's not lying to anybody, it's not any of that. Okay?

PROCEEDING

79

And the Government essentially conceded - no, not essentially. The Government conceded the key point that this was not, her participating, according to their indictment, was not for the benefit for her personal monetary gain. It was for some other reason. And the apartment was bought before any of the allegations with other money. She did make money, but she didn't spend it. I already described to the Court how she lived. And so the key question is why does she do this and, if she did it, did she do it to benefit herself, and if not, then is that sufficient reason to think that she's now going to hurt these people because she did not put any money that came out of their pockets and put it into hers. There's no reason to believe that having not done that, being around all this money and not putting any of it in your pocket. For all of these years she didn't do that.

So what is going to make her do it now? And the answer is that this is a revolutionary movement, okay, these people are her brothers and sisters. They together want to see the CCP overthrown. And so she's not going to put them in financial jeopardy that she dedicated her life, her life to this cause.

THE COURT: All right.

PROCEEDING

80

MS. MURRAY: Your Honor, just a final point. I want to be clear the Government made no concession on that point in any stretch, and a key question is whether she poses a risk of flight, that is the question.

THE COURT: All right, look, one thing that I've been asked to do is to determine if the, or at least order that some of the financial suretors that have been offered are sufficient to meet the requirements and conditions that were issued by Judge Parker, and the defense has indicated here they have three for which they believe that there's sufficient property that can be offered as security along with the enhanced package, if you will, of funds that were offered on behalf of the defendant.

I don't have it in front of me information about those three FRP's in terms of the property that's being offered. That is part of what I need to consider. I realize I am also being asked by the Government for detention anew in light of new material. But it's incumbent upon me to review whatever material the defendant is going to provide to substantiate it's offered financial suretors.

So I want a package of whatever it is that you must or that you think is enough. If there is



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2 documentation you haven't provided the Government  
3 already on others that you can provide, including the  
4 so-called eighth or others, provide it. And part of  
5 what I'm going to do is assess that material. It  
6 doesn't mean I'm necessarily going to find obviously  
7 that that is sufficient and that the conditions have  
8 been met, but it is one of the things I am going to  
9 consider in addition to considering whether a different  
10 set of conditions should be imposed or whether the  
11 defendant should be detained.

12           So she's going to continue to be detained  
13 pursuant to Judge Parker's order of all conditions being  
14 satisfied before she's released pending the submission  
15 of this additional information and my review of it which  
16 I will try to do as quickly as possible.

17           Let me ask Mr. Lipman, when can you get that  
18 material to me and the Government?

19           MR. LIPMAN: Your Honor, I will start working  
20 on it as soon as I leave this courtroom. I would ask  
21 for 24 hours.

22           THE COURT: Well, sure.

23           MR. LIPMAN: Oh yes, yes. Yes. That's a good  
24 point. Your Honor has a lot of personal information,  
25 rather than redacting it and filing it in various ways -

PROCEEDING

82

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THE COURT: You can file it under seal.

MR. LIPMAN: Okay. All right.

THE COURT: And you'll provide it to the Government obviously in unredacted form.

MR. LIPMAN: Of course. You know what, Your Honor, I said 24 hours --

THE COURT: Give yourself more time.

MR. LIPMAN: Yeah.

THE COURT: It's your call sort of because your client is going to remain detained. So you obviously --

MR. LIPMAN: I understand. But how about this, we will provide it no later than 48 hours from now, but we will attempt to provide it as soon as humanly possible.

THE COURT: Okay. All right, I mean it's important I think also if you need a little more time, to be able to put together something stronger that might assure the Government. Grant it that they're saying there are changed conditions and they want detention. But anything you can do to make stronger the financial suretor application would be helpful to me in being able to review and its significance. Okay?

MR. LIPMAN: Thank you, Your Honor.

PROCEEDING

83

THE COURT: All right. Anything else from the Government?

MS. MURRAY: No, Your Honor. Thank you.

THE COURT: Anything else from the defense?

MR. LIPMAN: No, Your Honor, thank you.

THE COURT: All right, we're adjourned. Thank you all.

MS. MURRAY: Your Honor, sorry.

THE COURT: Oh, one administrative thing actually. I just want to note for the record that the defense handed up exhibits marked 1, 45, 46, and 26, and finally 27.

MS. MURRAY: Your Honor, just briefly before we adjourned. To the extent the defense is going to submit something to the Government and to the Court, we would ask for a response date.

THE COURT: Fair.

MS. MURRAY: We can figure out the timing once the defense has actually submitted the materials, and we can coordinate with Your Honor on that if that makes sense.

THE COURT: All right. Should we set a defined time now? I think it would be appropriate.

MR. LIPMAN: Yes, please.

PROCEEDING

84

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2 THE COURT: So I would - I don't know about the  
3 weekend. So you're going to get to me and the  
4 Government before the weekend it sounds like.

5 MR. LIPMAN: Yes, I will get it to you as soon  
6 as humanly possible.

7 THE COURT: All right, well, I'm going to give  
8 the Government, I was going to say five days --

9 MR. LIPMAN: Your Honor.

10 THE COURT: Too much?

11 MR. LIPMAN: Five days at the MDC.

12 THE COURT: Yeah, and the Government has  
13 partial information on some of these already. I'll give  
14 the Government three days. If for any reason something  
15 turns out that is particularly complex that requires  
16 more, let me know, but I'm giving the Government three  
17 days --

18 MR. LIPMAN: Your Honor, may I just for a  
19 second, and I hear that, you know, I don't know why they  
20 need three days. I apologize --

21 THE COURT: I don't know what's going to be in  
22 the package. Three days.

23 MR. LIPMAN: Okay. What I was going to say,  
24 Your Honor, is this, what I would like to get to the  
25 Court is evidence of real estate that is available. It

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2 is our position that if there's sufficient proof that  
3 the person proposing to cosign actually owns this real  
4 estate and the real estate has the value that they say  
5 it does, that's really all that the Government needs.  
6 In other words, right, because whether they make money  
7 or not --

8 THE COURT: I don't know what the Government  
9 needs, but you need to assure the Court --

10 MR. LIPMAN: I'm sorry?

11 THE COURT: You need to assure the Court at the  
12 very least. I don't know exactly what that is you will  
13 give to me. Certainly, it'll be important to know who  
14 is the owner, whether there are any other ownership  
15 interests, what are the liens, what are the mortgages,  
16 etc. So I think you have an idea.

17 It's not going to necessarily take away from  
18 whether someone is an alleged victim or has one of the  
19 other faults, but at least I want a more complete  
20 picture, and it's part of my obligation to make that  
21 assessment. And I don't want to make a sweeping  
22 statement at the moment that just because anyone is an  
23 alleged victim and is not a family tie in some way, that  
24 necessarily makes them inadequate. But that's why I  
25 need to see it individually.

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PROCEEDING

86

MR. LIPMAN: Okay.

MS. MURRAY: Your Honor, with respect to the response date, assuming that the defense submits something on Thursday, that would make the Government's response due on Easter Sunday. We would respectfully ask --

THE COURT: Monday.

MS. MURRAY: -- that we get until Monday. Thank you.

THE COURT: Yes, of course. Okay, all right, we are adjourned. Thank you.

MS. MURRAY: Thank you.

MR. LIPMAN: Thank you, Your Honor.

(Whereupon the matter is adjourned.)

C E R T I F I C A T E

I, Carole Ludwig, certify that the foregoing transcript of proceedings in the United States District Court, Southern District of New York, United States of America versus Wang, Docket #23cr118/23m2007, was prepared using PC-based transcription software and is a true and accurate record of the proceedings.

Signature Carole Ludwig

Carole Ludwig

Date: April 5, 2023